

W-2 DATA MAGNETIC MEDIA FILING INSTRUCTIONS



SUMMARY OF ANNUAL WITHHOLDING REPORTING REQUIREMENTS

Annual Summary, Form VA-6

Every employer must file an annual summary of withholding on Form VA-6, *Annual or Final Summary of Virginia Income Tax Withheld*, to the Virginia Department of Taxation (VA TAX) or file electronically using the VA TAX Online iFile application at **www.tax.virginia.gov**.

Form VA-6 is **due** on February 28. If you close your withholding account before the end of the year, you must file Form VA-6 within thirty days of the last month in which you paid wages.

Form W-2 Submissions

When filing Form VA-6, you must attach copies of any federal income statement form from the W-2 series or the 1099 series that reflect Virginia income tax withheld. The federal forms usually required are Forms W-2, W-2G and 1099-R.

Form 1099 Requirements

You are only required to file paper copies of the Form 1099 series with VA TAX if the forms show Virginia income tax withheld.

If you participate in the Combined Federal / State Filing Program (CF/SF) for Form 1099-R and/or Form 1099-MISC, you do not need to file those forms with VA TAX; however, by February 15, you must notify VA TAX in writing of your intent to participate in the program.

Mail that letter to: Virginia Department of Taxation, W-2 Processing, P.O. Box 1278, Richmond, Virginia 23218-1278. See federal *Publication 1220* for information on how to participate. The filing of all other information returns with the IRS is adequate for purposes of complying with VA TAX filing requirements.

Magnetic Media Reporting

See the next section for specifications. VA TAX accepts cartridge, CD and diskette filing of W-2 information only. The data must be in the Social Security Administration (SSA) Specification for Filing Forms W-2 Electronically (EFW2) format. Form 1099 information must be reported on paper copies unless you participate in the Combined Federal / State Filing Program (CF/SF).

You can request a copy of the EFW2 requirements from the SSA by calling (215) 597-4632, or accessing the SSA web site at: www.ssa.gov/employer.

We DO NOT return your processed cartridges, CDs or diskettes. To ensure data security, however, all data is erased after we complete processing.

NOTE: In addition to submitting W-2 data to VA TAX, **you must submit quarterly state employment data to the Virginia Employment Commission (VEC).** Do not send that VEC quarterly data to VA TAX. To file and pay Unemployment Taxes with the VEC, you can use Business iFile either by accessing the VA TAX or VEC web site. To contact the VEC by phone, call (804) 786-4207.

MAGNETIC MEDIA FILING SPECIFICATIONS

Mandate

An employer who furnishes 250 or more employee wage statements (W-2 forms) must submit their W-2s by magnetic media. Each file must contain W-2 information for a single tax year only. A file containing multiple tax years will be rejected. If we are unable to process your submission because of a format error or technical problem, we will return it to you with an explanation of the problem we encountered.

Required Documents

Magnetic media must be accompanied by Form VA-6 or iFile VA-6 confirmation and a transmittal form. A copy of the transmittal form is included in these instructions.

**Mail to: Virginia Department of Taxation
W-2 Processing
P.O. Box 1278
Richmond, Virginia 23218-1278**

Acceptable Magnetic Media

Magnetic Cartridges

We accept 3480 or 3490 Cartridge submissions. 3490 cartridges are preferred. We DO NOT accept any Reel or 8 millimeter tape cartridges. Multiple-cartridge files will not be accepted.

Compact Discs

CDs must conform to ISO 9660 standards (Standard CD-R, **NOT** CD-RW). Data must be in UPPERCASE letters.

The file must be named W2REPORT, without an extension. The CD must NOT contain any other file or data and there must be only one file, named W2REPORT, in the root directory.

Label your CD using black permanent marker with W2 data, the tax year, name of submitting company, contact person and phone number.

Diskettes

We accept "double density" or "high density" 3½" diskettes. Data must be in UPPERCASE letters.

Name the file "W2REPORT" (no extension on the file name). The diskette **must contain only one file**. If a file cannot be contained on one diskette, you may compress your diskette file using a 'ZIP' process. Use a 'ZIP' compatible compression program like WINZIP (any version) or PKZIP 2.50 (Windows) or 2.04g (DOS) to create the 2REPORT.ZIP file (Only PKZIP version 2.04g compatible files will be accepted). **DO NOT use a ZIP disk**. The unzipped file must be named W2REPORT and the zip file must be named W2REPORT.ZIP.

DO NOT confuse multiple diskettes with multiple-volume files. Refer to your SSA publication for an explanation of "multiple-volume file". Multiple diskettes must each be labeled VOL 1 of 1; but a multiple-volume file must be labeled VOL 1 of 3, VOL 2 of 3, etc.

Label Each Magnetic Media Submission

Example →

W-2 DATA TAX YEAR _____
NAME OF SUBMITTING COMPANY
CONTACT PERSON PHONE #
DENSITY * VOL ____ OF ____

* VOL ____ OF ____ = Include this information only with diskette submissions.

Required Records – EFW2

The following data records are required. Other records specified in EFW2 may be included in your file, but will not be used. **Each data record MUST be 512 bytes.**

- **CODE RA** – Submitter Record – Length = 512

As submitted to the SSA.

- **CODE RE** – Employer Record – Length = 512

As submitted to the SSA.

- **CODE RS** – State Record – Length = 512

As submitted to the SSA or use the State Record layout on Page 5 of these instructions.

- **CODE RF** – Final Record – Length = 512

As submitted to the SSA or modified to contain only Virginia data.

NOTE: The SSA does not require the (RS) record but VA TAX does. If you created an RS record for your federal submission, VA TAX will accept this. If not, you must create an RS record for each employee reported. See Page 5 of these instructions for the RS record layout fields required by VA TAX. The state code for Virginia (51) must be on each RS record.

Record Delimiters

We prefer files WITHOUT record delimiters.

If you use record delimiters (a sequential file), a record delimiter must follow each record in the file (RA, RE, RS) except the last record (RF). The record delimiter must consist of two characters, and those characters must be carriage return and line feed (CR/LF).

Line-Feed is ASCII character 10 (0A HEX) and carriage-Return is ASCII character 13 (0D HEX). If using UNIX, manually insert the proper characters, as UNIX does not automatically insert Carriage Return characters. Windows programs, like Notepad, automatically insert Carriage-Return Line-Feeds when you press the Enter Key at the end of the line. Make sure each record is exactly 512 characters by adding spaces at the end.

The carriage return character and the line feed character must be placed in positions 513 and 514, respectively. EXCEPTION: For multi-volume diskette files, there must be no CR/LF after the last record on each diskette.

Other Delimiter Rules:

- 1) DO NOT place a record delimiter before the first record.
- 2) DO NOT place more than one record delimiter i.e., more than one carriage return / line-feed combination, following a record.
- 3) DO NOT place record delimiters after a field within a record.

If you do not use record delimiters (a random file), DO NOT place either a Carriage Return or a Line Feed after the last character of each record. For example, as each record is 512 bytes long, the first byte of the second record will be in 513.

COMMON MAGNETIC MEDIA FILING ERRORS

- 1) The file was not named properly.
 - The file must be named **W2REPORT**, without an extension. The only exception is a zipped file. Then the disk will be named W2REPORT.ZIP and the internal file named W2REPORT.
- 2) The records were not the correct length.
 - Each record must be **512 bytes** long.
- 3) The file did not contain the proper records.
 - Each file **must** contain an **RA, RE, RS and RF** record. A business may submit a copy of the same file to Virginia and the SSA, provided the file contains valid RS records. Since RS records are optional for the SSA, not all SSA submissions reflect this data.
 - Files **cannot** contain an **RV** Record, which is only used in federal submissions.
- 4) The State Code was not in the correct position or was the wrong value.
 - The **State Code** must be posted both in positions 3 – 4 and 274 – 275 on the RS record. The value must be **51** to indicate the Withholding is for Virginia.
- 5) Numeric fields contained blanks.
 - Fields identified as **numeric** may not contain blanks.
- 6) Sequential files were not formatted properly.
 - For a sequential file, each record except the last record must be followed by **both** a carriage return **and** a line feed.
- 7) Random files were not formatted properly.
 - For a random file, **neither** a carriage return **nor** a line feed should be on the file.
- 8) Records contained accent marks/characters.
 - **None** of the record fields may contain accent marks/characters.
- 9) No transmittal was enclosed with the magnetic media submission.
 - All magnetic media submissions must have a transmittal included.

LAYOUT for CODERS – STATE RECORD

Use this record layout only if your Federal Submission does not contain RS records.

| LOCATION | FIELD | LENGTH | SPECIFICATIONS |
|-----------|----------------------------------|--------|--|
| 1 – 2 | Record Identifier | 2 | Constant “RS” |
| 3 – 4 | State code | 2 | FIPS postal numeric code. This is a numeric field. (51 = Virginia) |
| 5 – 9 | Blank | 5 | Blank |
| 10 – 18 | Social Security Number | 9 | The employee's SSN. If not known, enter zeros. |
| 19 – 33 | Employee First Name | 15 | First Name as shown on Social Security Card. (DO NOT include “accent” characters.) Left justify and fill with blanks. |
| 34 – 48 | Employee Middle Name or Initial | 15 | If applicable , enter as shown on Social Security Card. (DO NOT include “accent” marks/characters.) Left justify and fill with blanks. Otherwise leave blank. |
| 49 – 68 | Employee Last Name | 20 | Last Name as shown on Social Security Card. (DO NOT include “accent” marks/characters.) Left justify and fill with blanks. |
| 69 – 72 | Suffix | 4 | If applicable , enter an alphabetic suffix (Sr, Jr, etc.) DO NOT use periods. Left justify and fill with blanks. |
| 73 – 94 | Location Address | 22 | Enter the location address (Suite, Attention, Room Number, etc.). Left justify and fill with blanks. |
| 95 – 116 | Delivery Address | 22 | Left justify and fill with blanks. |
| 117 – 138 | City | 22 | Left justify and fill with blanks. |
| 139 – 140 | State Abbreviation | 2 | Enter Postal abbreviation. This is an alpha field (VA = Virginia). Fill with blanks if foreign address. |
| 141 – 145 | Zip Code | 5 | Enter the employee's 5-digit zip code. |
| 146 – 149 | Zip Code Extension | 4 | Enter the employee's 4-digit zip code extension. Fill with blanks if unknown. |
| 150 – 154 | Blank | 5 | Blank |
| 155 – 177 | Foreign State/Province | 23 | If applicable , enter the foreign state/province. Left justify and will with blanks. |
| 178 – 192 | Foreign Postal Code | 15 | If applicable , enter the foreign postal code. Left justify and fill with blanks. |
| 193 – 194 | Country Code | 2 | If applicable , in accordance with SSA requirements enter the foreign country code <u>or</u> fill with blanks. |
| 195 – 247 | Blank | 53 | Blank |
| 248 – 267 | Virginia Employer Account Number | 20 | Virginia account number as shown on Form VA-6 (exclude hyphens). This is an Alpha/Numeric field. Left justify and fill with blanks. |
| 268 – 273 | Blank | 6 | Blank |
| 274 – 275 | State Code | 2 | FIPS postal numeric code. This is a numeric field. (51 = Virginia) |
| 276 – 286 | State Taxable Wages | 11 | Right justify and zero fill. This is a numeric field. |
| 287 – 297 | State Income Tax Withheld | 11 | Right justify and zero fill. This is a numeric field. |
| 298 – 512 | Blank | 215 | Blank |

SPECIFIC INSTRUCTIONS FOR THE W-2 MAGNETIC MEDIA TRANSMITTAL FORM

- BOX 1** Enter the Tax Year of the W-2 data and the Total Virginia Taxes withheld and reported to VA TAX.
- BOX 2** Enter your 9-digit IRS-assigned Federal Employer Identification Number (FEIN).
- BOX 3** Enter the number of 3480 or 3490 cartridges, CDs or diskettes sent in this transmittal.
- BOX 4** Enter the inventory number of each diskette or CD. If this Box is not applicable, leave it blank.
- NOTE:** The inventory number is any identification number you assign. Multiple diskettes or CD files must be CLEARLY MARKED as multiple diskettes or CDs of the same file ("VOL 1 of 3", "VOL 2 of 3", etc.).
- BOX 5** Indicate if Form VA-6 is enclosed, already mailed or Business iFiled, or will be mailed later. Include the iFile confirmation number if applicable.
- BOX 6** Enter the total number of all customer records listed on the file.
- BOX 7** Enter your name, address, phone number and email address.
- BOX 8** Enter the name, address, phone number and email address of your payroll contact, if different from Box 7.
- BOX 9** Enter the name, address, phone number and email address of your programming contact, if different from Box 7.
- BOX 10** Sign and date the declaration statement.
- NOTE:** If you are submitting W-2 information for an employer other than yourself, you MUST fill out Boxes 11, 12 and 13 on the second page of the transmittal.
- BOX 11** Enter the total number of Employers listed on the file.
- BOX 12** List the employers name, FEIN, the total Virginia tax withheld as reported on the Magnetic Media medium and the number of customer records in that employer's file.
- BOX 13** Total taxes withheld in Box 12. This amount must equal the amount in Box 1.

Mailing Magnetic Diskettes and CDs

Place the transmittal form and the magnetic media diskette, in a mailer with proper padding to prevent damage in transit. Specially-sized mailers for CDs and diskettes are available commercially. Insert each diskette in its own protective sleeve before packaging. Mark the outside of the package "MAGNETIC MEDIA". ***DO NOT use paper clips, rubber bands or staples on the diskettes.*** Use only disposable mailers. CDs should be mailed using USPS approved CD Mailers.

We do not return special containers or acknowledge receipt of your magnetic media. If you require an acknowledgment, please send your file by U.S. Postal RETURN RECEIPT procedures.

Send the package with a copy of this transmittal to:

**VIRGINIA DEPARTMENT OF TAXATION
W-2 PROCESSING
P.O. BOX 1278
RICHMOND, VIRGINIA 23218-1278**

Boxes 1 – 7 and Box 10 MUST be completed! Payroll Services MUST also complete Boxes 11 – 13.

| | | |
|---|---|---|
| Transmittal for Virginia W-2 Information on Magnetic Media (See Page 6 for instructions.) | | 1. Tax Year: 2 0 ____ Total Virginia Taxes Withheld \$ _____ |
| 2. FEIN of Transmitter _____ | 3. Number and type of reporting medium _____ 3480 or 3490 Cartridge _____ CD _____ Diskette | 4. Transmitter's magnetic media inventory numbers (if any) |
| 5. Form VA-6 <u>OR</u> Business iFile confirmation # _____ (CHECK ONE) ____ Enclosed ____ Sent by mail / iFile ____ Will be mailed later | | 6. Total Number of Customer Records _____ |
| 7. Name and address of transmitter, include street, city, state and zip code: Telephone Number (____) _____ Email Address _____ | | |
| 8. Name and address of payroll contact, if different from Box 7: Telephone Number (____) _____ Email Address _____ | | |
| 9. Name and address of programming contact, if different from Box 7: Telephone Number (____) _____ Email Address _____ | | |
| 10. I declare that I have examined this information and to the best of my knowledge and belief it is true, correct and complete. <div style="display: flex; justify-content: space-between; margin-top: 20px;"> <div style="width: 45%; text-align: center;"> _____ SIGNATURE </div> <div style="width: 45%; text-align: center;"> _____ DATE </div> </div> | | |

Send the magnetic media package with a copy of the transmittal to:

**VIRGINIA DEPARTMENT OF TAXATION
 W-2 PROCESSING
 P.O. BOX 1278
 RICHMOND, VIRGINIA 23218-1278**

**VIRGINIA EMPLOYER INCOME TAX WITHHOLDING
RECAP OF FILES SUBMITTED**

| | | | |
|--|------------------------|------------------------------------|-----------------------------------|
| 11. Total Number of Employer Files Reported | | | |
| 12. Employer's Name | Employer's FEIN | Total Virginia Tax Withheld | Number of Customer Records |
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| 13. Total Employer Income Tax Withheld | | | |